August 22, 2013

Via Facsimile

Assembly member Anthony Rendon, Chair Assembly Water, Parks and Wildlife Committee State Capitol Sacramento, CA 95814

Re: Comments on the 2013 Water Bond Framework

Dear Chairman Rendon:

On behalf of Defenders of Wildlife and our nearly 180,000 members and supporters in California, I am writing to comment on the 2013 Water Bond Framework. Overall, the current framework appears to provide a comprehensive, balanced approach to address California's water needs in a cost-effective and environmentally responsible manner. However, in our review of this framework, Defenders has identified three issues that need to be resolved either through inclusion of additional funding or clarification.

Defenders of Wildlife is dedicated to conserving wildlife and the places in which they live. This mission has lead Defenders to work on many water-related issues, including the Bay-Delta, Central Valley wetlands, and Salton Sea. Defenders has directed its work at conserving and restoring California's fragile water systems in order to provide essential habitat for fish and wildlife while balancing the water needs of our state.

The current draft of the 2013 Water Bond Framework fails to address some critical obligations already undertaken by California as part of the effort to provide a reliable water supply while addressing critical natural resource issues.

State Commitments to Resolve Conflicts Involving the Klamath, San Joaquin River and Salton Sea

The water bond must provide funding for California to live up to its existing natural resource conservation commitments. This is especially true where those commitments were central to reaching historic agreements in long-term, difficult water fights involving the Klamath River, San Joaquin River, and Salton Sea. These particular commitments did not come cheap – the state agreed to provide up to \$250 million to reach agreement in the Klamath and up to \$100 million for the San Joaquin River restoration.

California's commitment to the Salton Sea, part of a massive water agreement known as the Quantification Settlement Agreement or QSA, is even more substantial. The Natural Resources

Agency and Legislative Analyst Office has estimated that the state's obligation could cost more than \$1 billion. To fulfill the state's commitments for the Salton Sea, Klamath Basin, and San Joaquin River restoration, we request that the water bond contain a provision providing at least \$500,000,000 for these agreements.

The signing of the QSA initiated California's plan to reduce its use of Colorado River water to 4.4 million acre feet. A key part of the Agreement was a large transfer of water from the Imperial Valley to urban and suburban Southern California.

While some claimed that the QSA had nothing to do with the Salton Sea, many, including Defenders of Wildlife, argued to the contrary. We understood that the QSA's water transfer would spell disaster for the Sea and surrounding communities. With the transfer, inflows to the Sea from irrigation run-off would be reduced, exposing more than 100 square miles of sea bed, and accelerating the Sea's path toward biological collapse.

Sacrificing the Salton Sea is not an option. Providing habitat for more than 400 species of birds – approximately 2/3 of all bird species in the continental U.S. -- and functioning as a critical stopover on the Pacific Flyway, the Sea is one of the most important locales for migratory birds in the Western United States. The water transfer would cause the Sea's fish population to crash, eliminating food for birds, and destroy important bird habitat.

In addition, the reduction in water flowing to the Sea would create severe health issues for local residents because it would expose an area three times larger than the lakebed at Owens Lake, resulting in horrific dust storms plaguing a region that already has the highest rates of childhood asthma in California.

In light of these impacts, the QSA parties could not reach an agreement because no one wanted to take on full responsibility to pay for mitigation. The QSA parties agreed to contribute \$133 million to pay for the impacts, which was not enough money. To break the impasse, the State committed to pay the additional cost necessary to mitigate for the environmental and public health impacts at the Sea. The state also agreed to undertake a restoration planning process. And, the parties agreed to send "mitigation" water to the Sea until 2017 to buy time to figure out how to try to "save" the Salton Sea.

In four years, the Sea will begin its rapid decline when "mitigation" water stops flowing. In the past, California has effectively made financial commitments to resolve difficult water disputes. The time has come to live up to those obligations. To abandon those obligations would jeopardize carefully negotiated agreements, destabilize water supply reliability and create environmental havoc.

Funding for Central Valley Refuges

The water bond also must include funding to deliver water to state and federal wildlife refuges, which are critical to tens of millions of migratory birds wintering in California as well as many locally breeding waterfowl. Specifically, we request the inclusion of \$100,000,000 in funding to purchase the water rights for Central Valley wetlands.

Congress passed the federal Central Valley Project Improvement Act on the promise that enough water would be provided by the federal government and the State to make these wildlife refuge lands

fully functional. Yet, year after year, these wildlife areas have failed to receive sufficient water due to lack of funding. Unfortunately, the cost of providing water to these areas continues to increase and the opportunities to purchase water become fewer. We strongly believe that if a bond allocates adequate funds to purchase water supplies from willing sellers, we will have significantly addressed this critical wildlife need. We also believe that providing funding to purchase water rights will also diminish the need to purchase water, when it is available, on a year-to-year basis, which is highly inefficient.

California's Central Valley has lost more than 95% of its historic wetlands. The state and federal wildlife refuges within the Central Valley provide important habitat for California's migratory birds and rare wetland-dependent wildlife. Without adequate water supplied to these lands, these areas will not function as intended. Moreover, we believe that as these lands continue to degrade and as development proceeds and climate change takes effect in the Central Valley, there will be significant pressure to address the crisis facing migratory birds as they move up and down the Pacific flyway. Therefore, we believe a minimum investment into the purchase of wetland water supply for these areas would be an important step to avoiding later conflicts over the lack of water for imperiled fish and wildlife.

Not All Unspent Authorizations from Prior Water Bond Funds Should Be Terminated

The current 2013 Water Bond Framework includes a provision under Section IV.C., which states that "Authorizations for Water Bond Funds Not Yet Appropriated" should be "Terminated." While there are probably some unspent authorizations that could be terminated due to changes in circumstances, changes in state or federal law, or other issues not anticipated at the time of the passage of previous bonds, there are still unspent, but authorized bond funds that should not be terminated.

Given that this section is only one sentence, it is difficult to ascertain if this section is to be applied broadly to all unspent funds or if it is to be more surgical and thoughtful in application. There are many conservation and restoration projects and efforts that still are relying upon those unspent funds. Just because they have not been spent doesn't mean that they aren't important or necessary.

For example, the Wildlife Conservation Board currently has \$10 million in funding from Proposition 50 for Lower Colorado River and Salton Sea Projects. Agencies and conservation NGOs are still relying upon that fund to provide money for ongoing projects in those areas. To terminate the authorization and withdraw the money would create huge problems for ongoing conservation and restoration efforts. We urge that any termination is directed towards funds that are no longer necessary or cannot be spent due to changed circumstances. And, we urge that the water bond does not terminate prior committed unspent funds for ongoing restoration and conservation efforts unless they meet the previously identified criteria.

Conclusion

We appreciate the opportunity to provide comments to the 2013 Water Bond Framework. If you have any questions or comments, please do not hesitate to give me a call.

Sincerely,

Kim Delfino

California Program Director